THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The recent hike in the price of petroleum products is likely to result in a one time jump in the rate of inflation by about 1.5 per cent.

Inspite of the compulsion of reducing the deficit in the oil Pool Account, the Government has taken a conscious decision to protect the household by keeping the price of kerosene unchanged. Even in the case of LPG which is used by relatively better off sections of society, it has been decided to keep LPG price relatively lower than the price charged by the parallel marketeers.

(c) It is yet too early to assess the impact of recent price hike of petroleum products on each of the 30 essential commodities.

(d) The important steps contemplated by the Government to contain price rise in essential commodities are :

1. continuation of open market sale by FCI of rice and wheat.
2. continuing CGL import policy for selected essential commodities such as sugar, edible oils, pulses and low fat milk powder at nil or reduced duty. Import duty on edible oils reduced to 20%.
3. Import of edible oils on Government account for supply through PDS.
4. strive to control fiscal deficit to 5 per cent of GDP.
5. containing monetary growth to a reasonable level.
6. maintaining a liberal import policy, combined with reduction in import duties for most of the commodities.
7. reduction in excise duties in some of the consumer goods.

Export of Coir Products

1889. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of INDUSTRY be pleased to state :

(a) the details of export of coir products made during 1994-95 and 1995-96, and

(b) the target fixed for export of coir products during the current year?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a)

YEAR	QUANTITY (tonnes)	VALUE (Rs. in crores)
1994-95	48086	171.64
1995-96	48276	206.85

(b) The target fixed for export of coir products during 1996-97 is US$ 60 million (Rs. 211.00 crores).

Succession Problem of Share

1890. SHRIMATI JAYAWANTI NAVIN CHANDRA MEHTA : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the Government are aware of succession problem of shares and debentures in the absence of nomination clause;

(b) if so, whether the Government propose to add nomination clause in the securities proforma; and

(c) if not, the remedial steps being taken or proposed to be taken to facilitate succession of securities?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) :

(a) Yes, Sir.

(b) Yes, Sir.

(c) Does not arise in view of the answer to part (b) above.

Implementation of Nayak Committee Report

1891. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the small scale industries associations have sought the immediate implementation of the Nayak Committee Report;

(b) if so, the decision taken by the Government thereon, and

(c) the details of the recommendations made by the Nayak panel and those which have not been implemented so far alongwith the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c) The Reserve Bank of India (RBI) has reported that almost all the major recommendations of Nayak Committee have been accepted by it and necessary guidelines/instructions issued to banks. The guidelines/instructions issued by RBI to scheduled commercial banks include the following :

(i) to grant working capital credit limits to small scale industrial (SSI) units computed on the basis of a minimum of 20% of their projected annual turnover to the SSIs whose credit limit in individual cases is less than Rs. one crore.

(ii) to give preference to village industries, tiny industries and other small scale units in that order while meeting the credit requirements of the SSI sector.